THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANANDRAO VITHOBA ADSUL): (a) to (c) Information is being collected and will be placed on the Table of the House.

Action against errant companies

176. SHRI RAJU PARMAR: Will the Minister of FINANCE be pleased to state:

(a) whether Department of Company Affairs (DCA) has decided to crack down on companies that failed to transfer unclaimed dividends, interest and other amount to Investor Education and Protection Fund;

(b) if so, the details thereof; and

(c) whether Government have taken any action against companies for violation of Government rules, and if so, the names of the companies and action taken against them?

THE MINISTER OF FINANCE (SHRI JASWANT SINGH): (a) and (b) It is mandatory for the companies to credit the amounts that have remained unclaimed and unpaid for a period of 7 years from the date that they become due to payment to Investor Education and Protection Fund. This is as provided under Section 205C of the Companies Act. Department of Company Affairs has asked UTI Institute of Capital Market, Mumbai, to conduct a study of 400 companies, and 600 investors to ascertain such amounts laying with them as on 31.3.2002, the reasons for not crediting the same into the Investor Education and Protection Fund and the problems faced by the companies and the investors in this regard.

(c) 33 companies have come to notice who have been alleged to have violated the provisions of section 205C of the Companies Act, 1956. A list of such companies is given in the enclosed Statement (*see* below) Necessary proceedings as per law are underway by the Registrars of Companies against these companies.

Statement

List of Companies voilated provisions of Companies Act, 1956

1. BASF (India) Limited.

2. Cadbury India Limited
3. M.J. Pharmaceuticals Limited
4. Camlin Limited
5. Murablack India Limited
6. Times Guaranty Limited
7. KSB Pumps Limited
8. The Ind. Section Prudential Inv. Co. Ltd.
9. Walchandnagar Ind. Ltd.
10. Eastern Ceramaics Limited
11. Freight Carriers Pvt. Ltd.
12. Saroj Screens Pvt. Ltd.
13. Muller & Plipps (I) Ltd.
14. Sadhana Nitro Chemicals Ltd.
15. National Proxide Limited
16. Swasti Vinayak Synthetics Limited
17. Ganesh Benxoplast Limited
18. IVP Limited
19. Relic Technolgies Limited
20. Bajaj Electricals Limited
21. Godfrey Philips india Limited
22. Tata Telecom Limited
23. Allas Copco (India) Limited
24. Polygenta Technologies Limited
25. PSL Ltd.
26. Sesa Goa Ltd.
27. Zuari Industries Ltd.
28. Goa Carbon Ltd.
29. I.G. Petrochemicals Ltd.

30. Chowgule and Co. Ltd.

31. Sesa Industries Ltd.

32. Maharashtra Apex Corporation Limited.

33. Anglo French Drugs & Industries Limited

Electronic refund of excess tax deductions

177. SHRI RAJU PARMAR: Will the Minister of FINANCE be pleased to state:

(a) whether Income-Tax department is contemplating a move to refund excess tax deductions electronically in the bank accounts of tax payees;

(b) if so, whether the electronic transfer of excess deduction is likely to begin from this fiscal year; if not, the reasons therefor; and

(c) whether Government are also planning to make rules simpler for tax payees, and if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANANDRAO VITHOBA ADSUL): (a) and (b) The Income Tax Department is in the process of initiating a scheme which is likely to be introduced in financial year 2003-04 for crediting the income tax refund to the bank account of the tax payer directly provided the furnishes the particulars of his bank account of the Department.

(c) Rationalisation and simplification of the direct tax law is an ongoing process. However, the Department has taken the following major initiatives during the current financial year to enhance the comfort level of the tax payers:—

(i) The services relating to allotment of PAN have been outsourced to UTI investor Services Ltd. from 1/7/2003;

(ii) The Department is introducing a computer generated intelligent random selection of the cases for scrutiny;

(iii) One page simplified form of return has been notified;

(iv) The Software for preparation of returns of income has been released;